

Long-Term Recovery Action Plan

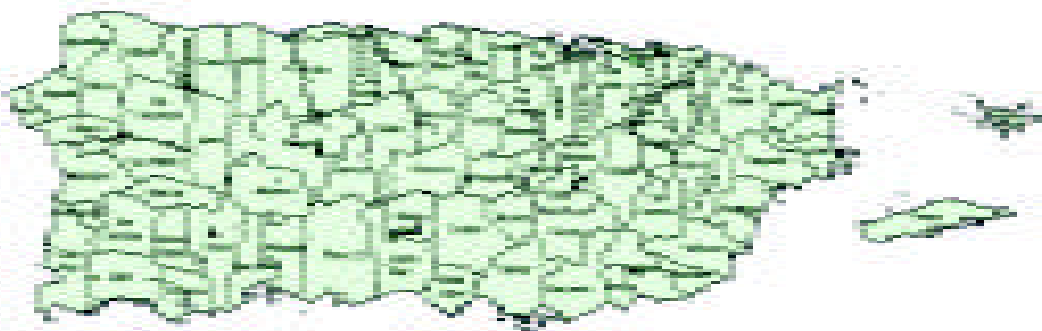
In response to the severity and scope of the destruction caused by Hurricane Georges, President Clinton activated the Long-Term Recovery Task Force under the leadership of FEMA Director James Lee Witt. The Task Force is composed of 15 Federal Departments, Agencies, and Offices. The President directed the group to develop an Action Plan to facilitate the coordination and delivery of Federal recovery assistance to Puerto Rico. The fact that the President's Long-Term Recovery Task Force is rarely activated underscores the magnitude of the damage to the island and the complexity of addressing Puerto Rico's long-term recovery needs.

The Task Force worked in collaboration with representatives of the Government of Puerto Rico to identify five long-term recovery priorities:

1. Mitigation
2. Housing
3. Economic Revitalization and Sustainability
 - Agriculture
 - Non-Agriculture
4. Energy
5. Transportation

This Action Plan is just the beginning of the extensive coordination that will continue throughout the recovery process. The President's Task Force will continue to work to deliver Federal assistance that addresses Puerto Rico's long-term recovery needs. However, long-term disaster recovery is primarily the responsibility of the governments and communities affected. The purpose of the Task Force is to coordinate and target the diverse disaster programs of more than a dozen Federal Agencies to ensure the greatest level of effective Federal support for a full recovery.

Puerto Rico



44 Disaster Recovery Centers were set up throughout Puerto Rico's 78 municipalities to provide assistance to citizens.

The destruction caused by Hurricane Georges highlighted Puerto Rico's vulnerability to the traditional causes of hurricane damage: high winds, heavy rains, and storm surge. Due to the island's steep slopes and seismic activity, mudslides, landslides, and earthquakes are also a threat to safety and should be addressed by long-term mitigation strategies and sustainable redevelopment. Sustainable redevelopment is an emerging and effective strategy for long-term recovery. In addition to addressing the risk posed by natural hazards, it takes into consideration the compatibility of development with the natural environment, the use of nonrenewable resources, and social and economic issues affected by improved community planning. A positive aspect of this disaster is that it has provided an opportunity for Puerto Rico to rebuild safer and smarter, thereby reducing the potential for severe damage in the future.



Floodplain management and mitigation measures will reduce the risk of future damage to bridges, houses, and utilities.

The Government of Puerto Rico has identified mitigation (measures to prevent future damage) as one of the core elements of its vision for long-term recovery. The Federal Government is encouraged by and supportive of Puerto Rico's proactive leadership in the area of mitigation. The Task Force is focusing resources on incorporating mitigation measures into current recovery operations and institutionalizing it in Puerto Rico's approach to future disaster recovery efforts. To achieve the goal of developing more sustainable and disaster-resistant communities, Federal mitigation actions are emphasizing three areas:

1. building codes;
2. planning and coordination; and
3. floodplain management.

The Government of Puerto Rico and the municipalities are still in the process of identifying opportunities to incorporate mitigation measures into recovery efforts. The Task Force members will continue to work with their Puerto Rican counterparts throughout this process to match Federal mitigation assistance with identified projects.

Building Codes



Mitigation efforts, such as hurricane strapping to tie roofing to walls, can improve a building's resistance to storm damage.

1.0 Requirement: Assist in identifying building code enforcement issues.

1.1 Action: FEMA sent a Building Performance Assessment Team (BPAT) to Puerto Rico immediately following the hurricane. The BPAT:

- inspected damage to residential and commercial buildings and other damaged structures;
- evaluated local design practices, construction methods and materials, building codes, and building inspection and code enforcement processes; and
- made recommendations on design, construction, and code issues.

1.2 Action: Local and Federal representatives met in Puerto Rico on November 5 and 12, 1998, to discuss ways in which Puerto Rico could improve the sustainability of its buildings. This coordination resulted in the Government of Puerto Rico's adopting the 1997 UBC through emergency regulation effective January 1, 1999. Because this is an emergency measure, it can be in force for only 180 days. The process of adopting the new building code through the normal regulatory process has begun and is expected to be completed by the time the emergency regulation expires. Adherence to the 1997 UBC means that the Puerto Rico building code is now in compliance with Executive Order 12699 on seismic safety for new Federally owned, leased, assisted, and regulated buildings. In addition to the 1997 UBC, Puerto Rico also adopted the wind provisions of the American Society of Civil Engineers Standard 7-95. Use of this standard, in conjunction with the UBC, will result in new construction being highly resistant to wind, as well as to seismic damage. The International Conference of Building Officials (ICBO), which issues the UBC, has committed to opening an office in Puerto Rico now that the Government has adopted the code. This office will be critical in providing technical support to ensure effective use of the UBC in Puerto Rico.

2.0 Requirement: Improve building code and floodplain management administration and enforcement in Puerto Rico.

2.1 Action: FEMA is providing the following Federal assistance in support of Puerto Rico's adoption and enforcement of the UBC:

1. Funding has been provided to ICBO to conduct a peer review and needs assessment of Puerto Rico's Regulations and Permits Administration (ARPE). The review will identify areas where ARPE may require assistance in order to respond effectively to the devastation of Hurricane Georges. It will also provide recommendations on how to improve administration and enforcement of the building code. Final results from this effort will be presented in Puerto Rico in January 1999.

2. FEMA will work with ARPE to address the needs identified by ICBO's review. Available short-term assistance includes providing ARPE technical resources and staff to help manage the rebuilding process.

3. Hazard Mitigation Grant Program (HMGP) funds can be used to assist ARPE to ensure that reconstruction following Hurricane Georges is in accordance with the new building regulations.

4. FEMA will contract initially with ICBO, and later with the Puerto Rico Colleges of Engineering, Land Surveying and Architecture, to conduct training and education activities to ensure that Puerto Rican officials, design professionals, builders, and other relevant parties are fully aware of the new code requirements.

3.0 Requirement: Ensure that all Federal Agencies that are funding reconstruction effectively carry out their responsibilities under Executive Order 12699.

■ **3.1 Action:** Because Puerto Rico is in a zone of high seismic activity, FEMA has provided written material and a briefing on the requirements of Executive Order 12699 to Agencies involved in the long-term recovery effort. Executive Order 12699 focuses on reducing risks to occupants of buildings owned or leased by the Federal Government, or purchased or constructed with Federal assistance.

Planning and Coordination

4.0 Requirement: Determine a strategy for use of available FEMA HMGP funds that most effectively meets the identified recovery needs of Puerto Rico.

■ **4.1 Action:** The Government of Puerto Rico has responsibility for prioritizing the use of FEMA HMGP funds. FEMA will continue to work with the Government of Puerto Rico to creatively package mitigation programs to meet current recovery needs, as well as needs in the coming months. The amount of HMGP funding provided to Puerto Rico is expected to be significant. The final funding amount has not yet been determined because it will be based on a percentage of the total amount of FEMA grants provided for this disaster. HMGP funds can be used by Puerto Rico to support elements of its long-term recovery strategy that meet HMGP eligibility criteria. Uses may include housing-related mitigation, code-related technical assistance and other assistance to ARPE, and infrastructure mitigation measures not eligible under FEMA's Public Assistance program.

5.0 Requirement: Provide technical assistance to develop local land-use plans, long-term comprehensive plans, and mitigation strategies that are community based and implemented.

5.1 Action: FEMA will provide planning guidance and technical expertise to local communities. While planning, zoning, and permitting in Puerto



Federal and Puerto Rico officials discuss mitigation.

■ Rico are centralized, action and support at the local level is necessary to successfully implement mitigation measures. FEMA technical assistance will aid in the development of community plans, long-term goals and objectives, and a strategy for the regulated development and enforcement of building codes. Preliminary discussions have been held with the municipality of Culebra (a FEMA Project Impact community), which is interested in long-term recovery planning assistance.

Floodplain Management



Flood control projects helped to reduce flood damage to property downstream.

6.0 Requirement: Enhance the administration and implementation of the National Flood Insurance Program (NFIP).

■ **6.1 Action:** FEMA is providing the nine ARPE regions and the Government of Puerto Rico's Planning Board with training in substantial damage and Increased Cost of Compliance (ICC) and offering other flood-related technical assistance.

■ **6.2 Action:** The acquisition and relocation of structures in the floodplain is being pursued by the Government of Puerto Rico. These actions are considered the best mitigation options for structures in the floodplain. Funding for these mitigation measures is available through a combination of:

- FEMA's HMGP;
- Flood Mitigation Assistance (FMA) program;
- NFIP ICC coverage; and
- HUD's CDBG program.

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D The FMA program provides annual grants that primarily address repetitive losses to insurable buildings under the NFIP. For fiscal year 1999, \$235,600 in FMA funding is available to Puerto Rico in the following allocations: planning grants, \$18,500; technical assistance grants, \$21,710; and project grants, \$195,390. ICC will help pay the cost to elevate, demolish, or relocate a building declared substantially damaged.

■ **6.3 Action:** FEMA will make available experts to conduct training and provide technical assistance in the areas of floodplain management, disaster-resistant design, and construction techniques. The Federal Coordinating Officer, in close partnership with the Government of Puerto Rico, will determine the appropriate provision of technical, training, and advisory assistance in reconstruction.

7.0 Requirement: Implement a series of flood damage reduction projects.

- **7.1 Action:** USACE has established a special project team to closely
D monitor the funding and Congressional authorization of priority projects.
O Table 1 shows the five high-priority flood control projects currently au-
D thorized and funded for Puerto Rico. USACE has the capability to expedite these projects as further funding becomes available.

In addition, the Administration has requested Congressional authorization for construction of two high-priority projects (Rio Nigua at Salinas and Rio Guanajibo at San German). USACE has also identified additional authorized projects and four potential feasibility studies for projects.

- **7.2 Action:** The U.S. Geological Survey Office in Puerto Rico is conducting a study of peak waterway discharges during flooding caused by
D Hurricane Georges. Information on flooding in the municipalities of
O Arecibo and Utuado also will be collected in cooperation with the Puerto
I Rico Aqueduct and Sewer Authority. These projects will provide essential information that will assist the Government of Puerto Rico to mitigate future disasters due to extreme hydrological events.

Table 1

USACE PRIORITY FLOOD CONTROL PROJECTS					
Projects	Action	Responsible for Task	Current Schedule	Accelerated Schedule	
A. PROJECTS TO BEGIN CONSTRUCTION BY DECEMBER 31, 1999					
1. Rio Manati at Barceloneta - Section 205					
Total Cost:	\$13.5 million	Pursue funding project under Section 205.	DNER	N/A	12/98
Federal Cost:	\$3.8 million				
Non-Federal Cost:	\$9.7 million				
2. Rio de la Plata – Construction General (CG)					
Total Cost:	\$96.7 million	Acquire lands.	DNER	9/98	9/98
Federal Cost:	\$63.3 million				
Non-Federal Cost:	\$33.4 million				
3. Rio Anton Ruiz at Humacao - Section 205					
Total Cost:	\$3.5 million	a) Acquire lands.	DNER	5/99	5/99
Federal Cost:	\$1.5 million	b) Award contract.	USACE	8/99	8/99
Non-Federal Cost:	\$2.0 million				
B. PROJECTS TO BEGIN CONSTRUCTION BY SEPTEMBER 30, 2000					
4. Rio Grande de Arecibo – CG					
Total Cost:	\$23.1 million	High priority for additional \$2.5 million funding in FY 2000 budget.	Task Force	N/A	12/98
Federal Cost:	\$12.5 million				
Non-Federal Cost:	\$10.6 million				
5. Rio Fajardo at Fajardo - Section 205					
Total Cost:	\$5.0 million	a) Complete plans and specifications.	USACE	9/99	9/99
Federal Cost:	\$3.0 million	b) Acquire lands.	DNER	11/02	6/00
Non-Federal Cost:	\$2.0 million				
C. PROJECTS FOR WHICH FEASIBILITY STUDIES WILL BE COMPLETED BY SEPTEMBER 30, 2001					
6-9. Rio Bayamon, Rio Nigua at Arroyo, Rio Yaguez, and Rio Matilde					
		Study authorization under the 1996 Water Resources Development Act, Section 211.	USACE		
NOTE: Appropriate outyear funding is needed to fully implement all the projects.					

Hurricane Georges had a catastrophic effect on the housing sector in Puerto Rico. Prior to the hurricane, affordable housing had been (and continues to be) a pressing need for a substantial portion of the island's 3.9 million residents. Hurricane Georges greatly exacerbated the need for affordable housing when it damaged to some degree more than 217,000 homes. The Puerto Rico Department of Housing conducted a housing census to verify the extent of the storm damage. The census was completed in early January 1999. Estimates based on FEMA's disaster housing application data had indicated approximately 1,000 housing units were destroyed. This estimate is expected to increase as more information becomes known.

Rebuilding in the aftermath of the storm will not be accomplished overnight. The Government of Puerto Rico estimates that it will take at least 5 years to repair the damaged homes or to replace those that were destroyed. The Federal effort to help Puerto Rico's housing recovery began immediately after the storm and will continue throughout the long-term recovery process. The Federal focus for recovery is to rebuild or replace homes and to prevent future damage through planning and technical assistance—all in a context of mitigation and sustainable development.

In order to coordinate efforts aimed at the mitigation of future housing damage and construction of new houses, the Governor of Puerto Rico signed an Executive Order and submitted legislation for the Programa Nuevo Hogar Seguro (New Safe House Project). This project was created to facilitate a prompt response to the needs of Hurricane Georges' victims and to mitigate the risk of damage from similar events in the future. The project is also responsible for the consolidation of Federal, State, municipal, and private funds. Government of Puerto Rico representatives working with Programa Nuevo Hogar Seguro include: the Governor's Chief of Staff; the Housing Department Secretary; the Transportation and Public Works Department Secretary; the Economic Development and Commerce Department Secretary; the Office of Management and Budget Director; the Government Development Bank President; the Agriculture Department Secretary; the Planning Board President; the Regulations and Permits Administration Administrator; the Land Administration Executive Director; the Municipal Affairs Commissioner; and the Land Authority Executive Director. The Governor's Advisor on Economic Affairs serves as Secretary of the task force.

This local task force has met on numerous occasions to follow up on the project's action plan. Recently, the Governor of Puerto Rico presided over the Nuevo Hogar Seguro Summit, an event attended by a large number



This aerial view shows the extensive damage to homes near Vega Baja.

of representatives from the public and private sectors. Programa Nuevo Hogar Seguro is currently preparing a detailed land inventory for housing development purposes and is moving forward with three pilot housing developments.

Rehabilitating, reconstructing, and replacing affected homes will require many skilled and unskilled construction workers and large quantities of materials. Puerto Rico can use this increased activity in the housing sector as an opportunity to further decrease its unemployment rate by providing construction and labor jobs for unemployed workers. Federal funds can be used to train skilled and unskilled workers to support disaster recovery efforts.

Already funds are being provided for training under DOL's Job Training Partnership Act (JTPA). HUD can provide additional assistance through the Step Up and YouthBuild programs, as well as the CDBG program.

Federal resources and expertise are being marshaled to ensure that newly constructed or repaired homes are affordable and meet the needs of affected citizens, many of whom have very low or no mortgage or rent payment capacity. The primary Agencies on the President's Task Force that offer housing assistance are HUD, FEMA, SBA, and USDA. Each Agency has programs that address certain needs and are generally targeted at different segments of the population. The Task

Force Agencies will coordinate their housing programs and consider other measures as may be necessary to help the Government of Puerto Rico meet immediate housing needs and to complement Puerto Rico's long-term housing plan.

Available resources, if applied thoughtfully and creatively, can repair or replace many damaged homes with new or rebuilt housing that is safer than units destroyed by the storm. As losses not fully covered by insurance become known, significant Federal resources will be provided to meet an important part of the remaining housing recovery needs. FEMA has already provided \$377.7 million in housing assistance grants to 217,109 applicants.

Disaster programs are intended to address disaster-related needs and not overall predisaster housing needs in Puerto Rico. However, some existing resources could be used to focus on the predisaster housing issue. HUD provides the Government of Puerto Rico and "entitlement" municipalities very flexible funding for needs not related to disaster recovery through more than \$150 million in annual allocations of the CDBG and HOME Investment Partnerships programs. HUD has broad authority to provide waivers for these two programs in order to promote disaster recovery by integrating pre- and post-disaster efforts.

HUD's Comprehensive Grant program for public housing and its Section 8 Rental Assistance program also provide annual funding to Puerto Rico, as does USDA's Rural Housing Service through its subsidized loan and grant programs. Low Income Housing Tax Credits are also available. Other pro-



Federal assistance provides blue tarps to cover damaged roofs throughout the island.

grams, such as the Section 108 Loan Guarantee program, are also potential sources of additional housing assistance.

Most Puerto Ricans own their own homes. The island has an approximate homeownership rate of 72.1 percent. This rate is remarkable for a population with a median family income of about \$17,155 per year and an average home price of \$87,000. Homeownership is heavily subsidized through Programa Nueva Vivienda (New Housing Program), an affordable housing program operated by Puerto Rico for moderate-income families. Programa Nueva Vivienda reduces home sale prices to between \$55,000 and \$64,000 for program participants.

The Federal Government will assist Puerto Rico in addressing its disaster related housing needs by focusing Federal assistance on the following key areas:

1. repairing existing homes;
2. addressing long-term shelter needs;
3. replacing destroyed homes;
4. restoring public housing; and
5. providing technical assistance and training.

Repairing Existing Homes

Emergency Assistance: The Government of Puerto Rico, municipalities and voluntary organizations worked together to provide the initial response to meet the emergency sheltering needs of disaster victims. FEMA immediately began to supplement this emergency assistance by providing 29,441 rolls of plastic sheeting and 64,771 temporary roofs so disaster victims could make their homes habitable and continue to live in their homes until more substantial repairs could be made. FEMA also funded the cost of operating 439 emergency shelters throughout the island.

8.0 Requirement: Provide assistance for temporary housing, home repairs, and rehabilitation and reconstruction financing.

■ **8.1 Action:** The Federal Government is using its FEMA and SBA disaster programs to provide primary assistance to help the people of Puerto Rico match their disaster housing needs with assistance. Many housing units damaged by the storm can be repaired or reconstructed, allowing residents to remain in their neighborhoods. Individuals can request assistance through FEMA's National Teleregistration Center toll-free telephone number (1-800-462-9029), or by visiting one of the Disaster Recovery Centers located throughout Puerto Rico.

■ **Temporary Housing Assistance:** Two FEMA programs provide grants to individuals whose homes can be repaired and made habitable. The first is Disaster Housing Assistance which provides grants to repair dam-

■ aged homes. Due to the high cost of construction in Puerto Rico and the overwhelming number of homes affected by Hurricane Georges, FEMA has raised the limit on these home repair grants from the usual amount of \$10,000 to the maximum amount of \$25,000. This program can also fund certain mitigation measures, such as installation of hurricane clips. More than \$377.7 million in Housing Assistance grants have already been approved for 217,109 applicants.

■ The Government of Puerto Rico administers the second FEMA program, the Individual and Family Grant (IFG) program. FEMA funds 75 percent of IFG grants. Under this program, disaster victims unable to qualify for an SBA disaster loan are eligible for reimbursement of serious needs and necessary expenses. The maximum amount of these grants is \$13,400 per applicant for fiscal year 1998 and \$13,600 per applicant for fiscal year 1999. More than \$343 million in IFG assistance has been approved for 161,825 applicants. If disaster victims are unable to make their homes habitable with these or other funding sources, the Disaster Housing program may fund rental assistance for up to 18 months.

■ **Home Disaster Loans:** SBA offers loans to homeowners or renters who can afford to repay a loan to repair uninsured or underinsured disaster damage to real estate and personal property. SBA's Home Disaster Loans may also be used to finance rehabilitation and reconstruction of damaged dwellings. SBA has approved more than \$82.5 million in Home Disaster Loans. The SBA Home Disaster Loan program also encourages mitigation in two significant ways: 1) loans cover the cost of bringing the dwelling up to current codes and standards; and 2) up to 20 percent of the loan amount may be used for mitigation measures for the dwelling. Interest rates are often less than 4 percent with terms of up to 30 years.



Over 7 feet of mud washed through this home when a river levee failed.

8.2 Action: Beyond the Federal Government's primary disaster housing assistance, other Federal resources are available for home repair, rehabilitation, and reconstruction financing.

■ **Disaster Home Repair Loans and Grants:** USDA and HUD (through participating FHA lenders) offer loans to remove health and safety hazards from disaster damaged housing for very low-income homeowners who can afford to repay a loan. The USDA also offers grants to elderly people who cannot afford to repay a loan.

■ **Rehabilitation and Reconstruction Resources:** HUD's annual allocations of CDBG and HOME Investment Partnerships funds may be used by grantees in Puerto Rico to rehabilitate and reconstruct damaged and destroyed dwellings. Additional funding from a CDBG supplemental appropriation for disaster recovery, discussed later, will also be available. USDA's subsidized rural housing loan programs can finance rehabilitation and reconstruction in rural areas, along with the CDBG and HOME programs.

Federal Agencies will ensure that while they are providing disaster assistance they are in compliance with the National Flood Insurance Act of 1968 and its amendments. The act mandates the purchase of flood insurance for homes and buildings and their contents located in special flood hazard areas.

Addressing Long-Term Shelter Needs

9.0 Requirement: Develop alternative long-term sheltering options for disaster victims living in shelters.

■ **9.1 Action:** FEMA can provide reimbursement, on a cost-shared basis, to the Government of Puerto Rico for the development of long-term sheltering options. As many as 2,317 people still remain in 71 shelters. Over 50 percent of these individuals either have already received or are expected to receive funds for emergency home repair assistance from FEMA, but have not yet completed the repairs. The remainder of the people are either ineligible for assistance or have qualified only for rental assistance and are expected to have long-term shelter needs.

Some of the shelters currently in use are not appropriate to meet long-term shelter needs. The Government of Puerto Rico is considering additional options for providing long-term shelters for this group of people. FEMA can provide both technical assistance and funding for the development of long-term sheltering options. These options include construction of temporary, readily fabricated housing that can be used by displaced disaster victims for up to 18 months.

Replacing Destroyed Homes

10.0 Requirement: Assist the Government of Puerto Rico to design and construct new replacement housing in the context of sustainable development.

■ **10.1 Action:** The Federal Government will provide technical assistance and financial resources to replace destroyed or damaged housing in safer, more sustainable ways. The assistance will fund the relocation of families whose homes cannot be repaired or are located in flood-prone areas, as well as the development and implementation of mitigation plans. In addition to FEMA and SBA primary disaster programs, HUD, USDA, and FEMA are using the resources and flexibility of other programs and supplemental disaster appropriations in an effort to help Puerto Rico with these long-term housing recovery needs.

■ **Mitigation:** The Government of Puerto Rico administers FEMA's HMGP. HMGP may support a wide range of eligible mitigation measures, including acquisition and relocation of homes out of hazardous areas. This

is FEMA's most flexible program. It allows the Government of Puerto Rico to set priorities for funding mitigation projects. HUD's CDBG program and FEMA's HMGP program are frequently combined to address the mitigation needs in disaster communities. HMGP funds available to Puerto Rico are expected to be substantial.

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■ **Funding New Construction with CDBG:** To further enhance the flexibility of Puerto Rico's \$130 million in fiscal year 1998 annual CDBG funds, HUD has granted waivers to Puerto Rico to allow CDBG funds to be used for new housing construction. The need can also be addressed through Puerto Rico's share of the \$250 million in CDBG disaster funds provided in the *Omnibus Consolidated and Emergency Supplemental Appropriations Act, 1999*. The wide spread destruction of Hurricane Georges was a significant factor in the passage of the emergency supplemental appropriations legislation. HUD recognizes the tremendous damage caused by the storm and stands ready to assist Puerto Rico in its rebuilding effort. FEMA is using geographic information systems to map disaster grant recipient locations at the sub-barrio (about six block) level as a way of identifying unmet disaster-related housing needs. This information was provided to the Puerto Rico Department of Housing to assist in their housing census. The data will also be used by HUD to calculate the allocation of funds to address unmet disaster housing recovery needs that have not or will not be provided for by other Federal disaster assistance programs. As additional disaster housing needs are known, Task Force Agencies will assess whether it is necessary to seek additional resources.
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■ **Other Housing-Related Funding Sources:** USDA's rural housing loan programs are key sources of financing for very-low-to moderate-income people who live in rural areas and can afford to repay a mortgage. These programs make loans available at subsidized interest rates for single-family properties and include loans for self-help housing construction. USDA also offers loans to build or rehabilitate rental units, including multifamily properties, for very-low-to moderate-income residents. USDA's RHS has already provided 127 loans and 53 grants totaling more than \$4.7 million.
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■ **In urban and rural areas,** HUD offers assistance through block grants under the CDBG and HOME programs with funds allocated annually to the Government of Puerto Rico and to entitled municipalities. HOME funds allocated to these areas total more than \$25 million for fiscal year 1998. HOME funds can finance permanent housing for low-income homeowners and renters who have become disaster victims. These funds may be used for acquisition, new construction, rehabilitation, and tenant-based rental assistance.

HUD has announced \$5.1 million for two nondisaster-related projects in Puerto Rico that provide supportive housing for the elderly and for people with disabilities. In Ceiba, 4 elderly housing units will be constructed and in Manati, a 21-unit independent living facility will be built for the physically and developmentally disabled.

The proceeds from sales of public housing units to public housing residents under HUD's Section 5(h) program are available and should be leveraged by the Government of Puerto Rico with other financing sources to build additional housing for low-income families that have been affected by Hurricane Georges. HUD is providing technical experts to help the Government of Puerto Rico develop its Section 5(h) homeownership plan for this purpose.

■ For homeowners or renters who can afford to repay a loan, the Small Business Administration offers loans to replace disaster damage to uninsured or underinsured real estate and personal property. A family can use these funds to purchase a safer home outside flood- or damage-prone areas.

■ **National Flood Insurance Program:** There were 43,757 flood insurance policies in force in Puerto Rico through NFIP when Hurricane Georges struck. Many of the insured buildings experienced flood damage as a result of the hurricane. NFIP continues to process and settle flood insurance claims as quickly as possible. NFIP insured losses reduce the cost of disaster assistance because the losses are paid out of the NFIP policyholders' fund and not by taxpayers.

Restoring Public Housing

11.0 Requirement: Provide assistance for repairing, rehabilitating, reconstructing, or replacing damaged public housing properties.

■ **11.1 Action:** HUD and FEMA programs will provide funding for damaged public housing properties that are not covered by insurance. HUD is working with the Government of Puerto Rico to determine how many public housing structures were damaged by Hurricane Georges. FEMA's Section 406 Public Assistance Program is the primary source of grants for repairing or replacing damaged public structures. FEMA's program is complemented by HUD's Modernization Reserve for Emergencies and Disasters that also provides funding for public housing. Immediately after Hurricane Georges struck, HUD made available up to \$39 million from its modernization reserve for public housing repair costs not covered by insurance or FEMA's Public Assistance program.

FEMA's Section 404 Hazard Mitigation Grant Program may also be used to fund mitigation measures for public housing.

- In addition, HUD will revise its allocation process for public housing operating subsidies as it implements the Quality Housing and Work Responsibility Act of 1998 (Public Housing and Tenant-Based Assistance reform legislation).

Providing Technical Assistance and Training



Responders provide technical assistance to homeowners.

12.0 Requirement: Provide mitigation-focused technical assistance and resources in current home construction technology.

- **12.1 Action:** The Federal Government will provide technical advisors who can work hand-in-hand with communities to rebuild damaged homes. The primary vehicle for delivering this assistance will be HUD's Partnership for Advancing Technology in Housing (PATH) initiative. The PATH initiative provides information and technical assistance on improved building materials, technology, and construction techniques that can be incorporated into home repairs and new construction. FEMA and a number of other Federal Agencies provide mitigation technical assistance as part of the PATH initiative.

13.0 Requirement: Identify rural housing requirements and provide technical assistance.

- **13.1 Action:** FEMA, HUD, and USDA staff will continue to undertake outreach activities to identify housing needs and to provide assistance. For example, an assessment by USDA Rural Development officers of homes with an active loan under the Rural Housing Service, found over 300 damaged properties. USDA is taking the necessary measures to provide priority housing assistance to these affected customers.

Furthermore, USDA will provide priority housing assistance to any person deemed homeless as a result of the hurricane. USDA's Rural Development staff will also ensure that all building codes are strictly enforced. USDA has already approved \$4.8 million in home repair and new home loans and grants.

Initiatives started by USDA will help ease the current housing crisis. For instance, a self-help housing initiative is in the initial planning stage. The initiative involves local home building through neighbors assisting each other.

14.0 Requirement: Provide technical assistance in housing project development and financing.

- **14.1 Action:** HUD will provide development planning and technical support for the Government of Puerto Rico and communities that face the task of rebuilding destroyed neighborhoods. This technical assistance should help build the island's capacity to develop the necessary housing redevelopment strategies and projects, and to put together viable financ-

ing packages. HUD support includes making available consultant services with expertise in housing development strategies and financial packaging through HUD's CDBG and HOME Investment Partnerships programs. These consultant services use qualified on-island subcontractors where possible.

If needed, HUD is prepared to send a team of program experts to work exclusively in Puerto Rico to facilitate the use of HUD resources for recovery. These advisors would work along with FEMA mitigation experts to help the Government of Puerto Rico and the affected communities gain access to necessary resources.

15.0 Requirement: Provide housing counseling.

■ **15.1 Action:** HUD-approved housing counseling agencies are available to help renters, first-time homebuyers, and homeowners. There are six HUD-approved counseling agencies in Puerto Rico. An up-to-date list of the agencies is available on the World Wide Web at www.hudhcc.org/agencies/agencies.html.

16.0 Requirement: Address the growing shortage of qualified construction workers.

■ **16.1 Action:** The DOL will provide \$2.4 million under the JTPA to train and employ individuals who are unemployed as a result of Hurricane Georges. The training and jobs will be in the construction industry in areas such as carpentry, plumbing, and electrical work. There are not enough construction workers to meet the current demand caused by the thousands of homes and structures damaged or destroyed by the hurricane.

■ **16.2 Action:** DOL and HUD will work with the Government of Puerto Rico and appropriate trade associations to explore additional options for providing training to the unemployed labor force in Puerto Rico in construction and related trades that could be used in disaster recovery efforts.

■ **16.3 Action:** HUD will provide appropriate help and information on the Step Up and the YouthBuild programs to interested municipalities in Puerto Rico. Step Up is an apprentice-based employment and training program providing low-income persons with career training and work opportunities in the construction trades. YouthBuild is a competitive program that funds projects of public agencies and private, nonprofit organizations to help young high school dropouts obtain education, job skills, and meaningful on-site work experience in construction trades.



Applicants receive counseling and assistance at a Mobile Disaster Recovery Center.

